

# Performance Highlights

Quarter ended 30<sup>th</sup> June 2022



**Power Finance Corporation Ltd.**

A Maharatna PSU



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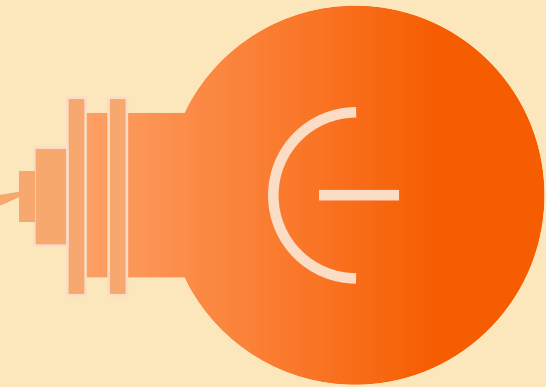
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# PFC at a Glance



# Leading Financer in Power Sector

Majority Owned by  
Government of India

Key financial partner for  
Government in Power Sector

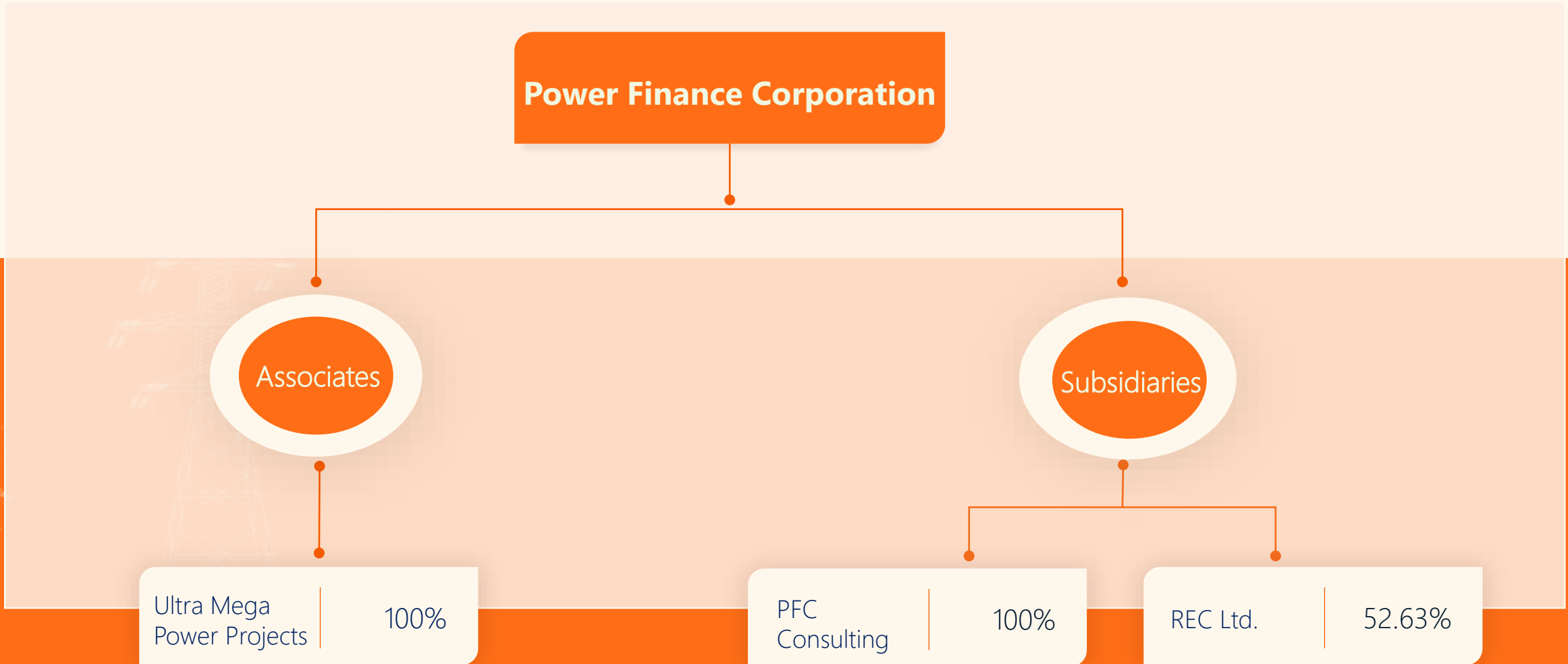
Highest Long Term  
Domestic Rating of 'AAA'

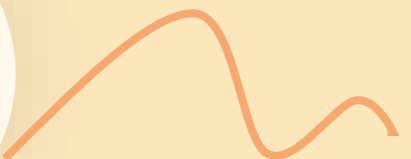


#365 in the world  
in terms of assets  
as per Forbes Global'2021

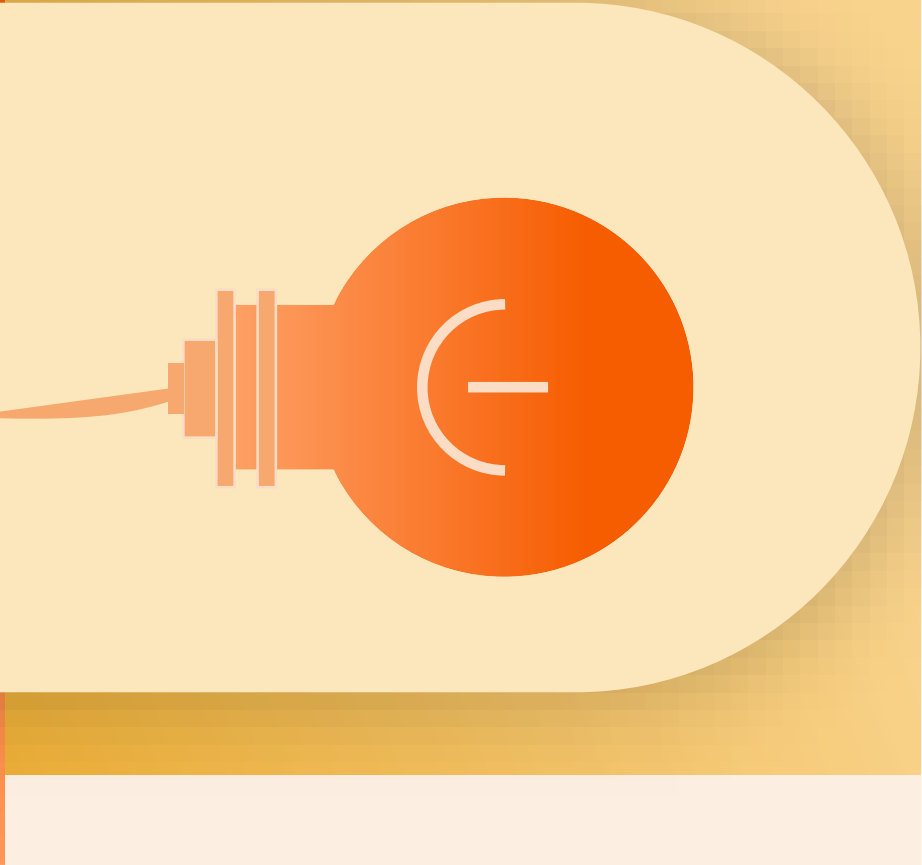
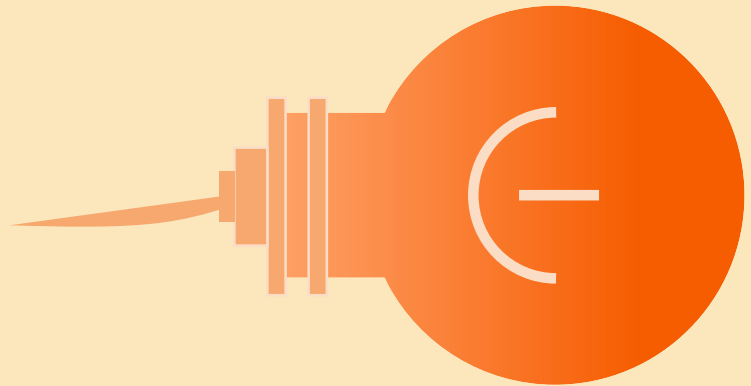
#29 in Fortune 500  
India'2021

# PFC Group Structure





# Stand Alone Performance





1.

# Highlights

# Q1'23 in Perspective



## Net worth crosses 60K mark

Net worth at Rs.61,060 cr. in Q1'23  
viz-a-viz Rs.54,739 cr. in Q1'22

## Project sanctioned in 2 new states under RDSS<sup>1</sup>

Total 8 states with PFC - Andhra Pradesh, Gujarat, Himachal Pradesh, Kerala, Madhya Pradesh, Uttarakhand, Haryana & Jharkhand



Landmark Transaction demonstrating QUAD unity.

Financing will be for PFC's renewable energy portfolio

**PFC inks JPY 30 billion loan agreement with Japan Bank for International Co-operation (JBIC)**

## Late Payment Surcharge (LPS) Rules introduced by Ministry of Power

Purpose - To strengthen the regulatory mechanism for recovery of outstanding dues of GENCOs & TRANSCOs from Discoms

Rs.33,079 cr. worth of loans sanctioned by PFC under LPS

## PFC list its existing Euro Bonds on Luxembourg's Stock Exchange – Green Bond Platform

Listing will give PFC opportunity to enhance its visibility in European Markets

<sup>1</sup>Revamped Distribution Sector Scheme



2.

## Earning Update

# Revenue & Growth



**5% reduction in Interest Expense**



Rs.5,462 cr. in Q1'23 against Rs.5,739 cr. in Q1'22



(Rs.'crore)

	Q1 FY 23	Q1 FY 22	FY 22
<b>INTEREST INCOME</b>	8,929	9,264	36,701
<b>INTEREST EXPENSE</b>	5,462	5,739	22,671
<b>NET INTEREST INCOME</b>	3,467	3,525	14,030
<b>PROFIT AFTER TAX</b>	2,110	2,274	10,022
<b>TOTAL COMPREHENSIVE INCOME</b>	1,894	2,390	10,203

Some figures may have been regrouped / reclassified for analysis purpose. Therefore, they may not reconcile with the reported figures.

# Key Ratios

**Cost of funds reduces by 35 bps**

» 7.08% for Q1'23 versus 7.43% in Q1'22



(Ratios in %)

	Q1 FY 23	Q1 FY 22	FY 22
<b>YIELD ON EARNING ASSETS</b>	10.01	10.39	10.22
<b>COST OF FUNDS</b>	7.08	7.43	7.30
<b>INTEREST SPREAD ON EARNING ASSETS</b>	2.93	2.96	2.92
<b>NET INTEREST MARGIN ON EARNING ASSETS</b>	3.69	3.70	3.62
<b>CRAR</b>	24.33	21.16	23.48
<b>NET WORTH (SHARE CAPITAL+ALL RESERVES)</b>	Rs.61,060 cr.	Rs.54,739 cr.	Rs.59,350 cr.

Ratios are annualised & are based on daily average and rounded off.

3.

## Asset Quality

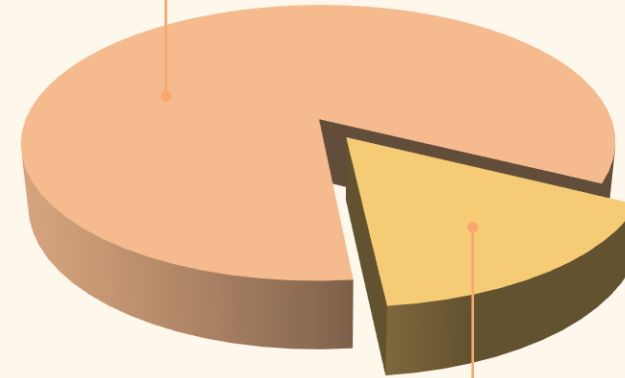
# Asset Synopsis –Q1'23



**Powering Indian  
Electricity Sector for  
Growth**

**Government  
Sector  
84%**

**Majority Lending to Govt.  
Sector**



**Private  
Sector  
16%**



**Loan Assets**

*Rs.3,70,186 cr.*



**Disbursements**

*Rs.4,643 cr.*



**Sanctions**

*Rs.25,391 cr.*



**Net NPA Ratio**

*1.73%*

# Provisioning Snapshot -30.06.2022

**STAGE  
I & II**

**STAGE  
III**

**TOTAL**

## OUTSTANDING LOAN ASSETS

Government Sector	3,11,742
Private Sector	37,529

**TOTAL OUTSTANDING** 3,49,271

**TOTAL PROVISIONING** 2,956

**NET ASSETS** 3,46,315

## OUTSTANDING LOAN ASSETS

Government Sector	NIL
Private Sector	20,915

**TOTAL OUTSTANDING** 20,915

**TOTAL PROVISIONING** 14,506

**NET ASSETS** 6,409

## OUTSTANDING LOAN ASSETS

Government Sector	3,11,742
Private Sector	58,445

**TOTAL OUTSTANDING** 3,70,186

**TOTAL PROVISIONING** 17,463

**NET ASSETS** 3,52,724

## Provisioning Status as on 30.06.2022



69% provisioning against Stage III Assets (NPA)

## STAGE III

(as % of Gross Loan Assets)

### OUTSTANDING STAGE III (IN %)

Government Sector	NIL
Private Sector	5.65%

**TOTAL STAGE III (IN %)** 5.65%

**TOTAL PROVISIONING (IN %)** 69%

**NET STAGE III ASSETS (IN %)** 1.73%

# Resolution Status – Stage III Assets

Resolution status of Rs.20,915 cr. of loan assets in Stage 3

## NCLT Resolution

↓  
14 Projects – Rs.15,338 cr.

↓  
72% Provision

## Outside NCLT Resolution

↓  
9 Projects – Rs.5,578 cr.

↓  
62% Provision

*Lowest Net NPA Ratio of 1.73% in last 5 years*

4.

# Operational Performance

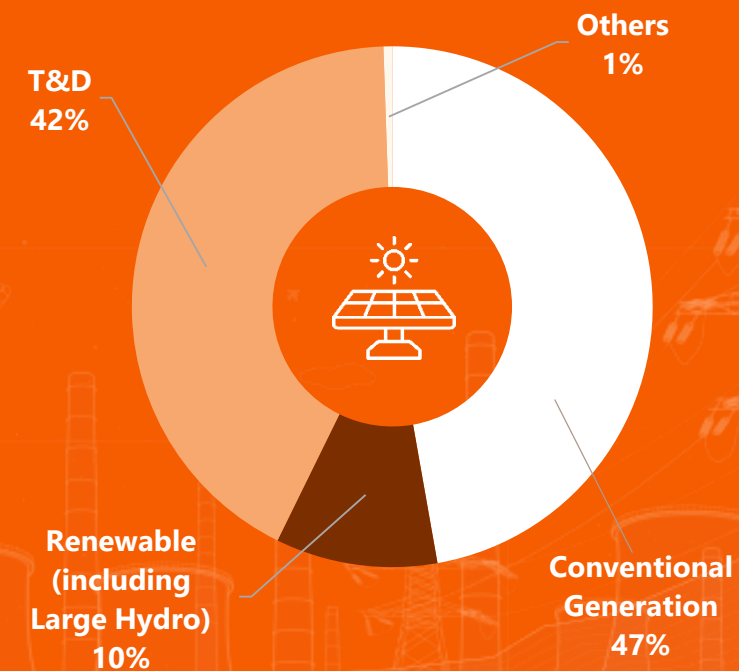


# Loan Asset - Composition

(Rs./crore)

	As on 30.06.2022	As on 30.06.2021
<b>Gross Loan Assets</b>	3,70,186	3,69,983
<b>Scheme Wise</b>		
<b>Generation</b>	2,10,924	2,26,166
- Conventional Generation	1,73,875	1,87,895
- Renewable Energy	37,049	38,271
- Large Hydro Projects (>25MW)	16,389	16,582
- Other than Large Hydro Projects	20,661	21,689
<b>Transmission</b>	30,416	28,472
<b>Distribution</b>	1,26,615	1,13,308
<b>Others</b>	2,231	2,037
<b>Sector Wise</b>		
<b>Government Sector</b>	3,11,742	3,08,834
<b>Private Sector</b>	58,445	61,149

## Loan Asset Mix



# Disbursement Composition

(Rs.'crore)

	Q1 FY 23		Q1 FY 22		FY 22	
	Amt	%	Amt	%	Amt	%
<b>Disbursements</b>	4,643	100%	11,332	100%	51,242	100%
<b>Scheme Wise</b>						
Generation	2,942	63%	6,356	56%	18,196	36%
Transmission	417	9%	507	5%	4,636	9%
Distribution	1,163	25%	4,465	39%	27,897	54%
Others	121	3%	4	0.04%	512	1%
<b>Sector Wise</b>						
Government Sector	2,978	64%	8,231	73%	42,295	83%
Private Sector	1,665	36%	3,101	27%	8,947	17%

# Liability Mix as on 30.06.2022



93% exchange risk hedged for FCL up to 5 years residual maturity



**Rs.3,14,470 cr. Outstanding Borrowings as on 30.06.2022**

## Commercial Papers

Nil



## Domestic Bonds

Rs.1,80,913 cr. (58%)



## RTL from Banks/FI's

Rs. 63,319cr. (20%)



## Foreign Currency Borrowing

Rs. 55,899 cr. (18%)



## Subordinated Bonds

Rs.9,212 cr. (3%)



## 54EC Bonds

Rs. 4,552 cr. (1.45%)



## Others<sup>1</sup>

Rs.576cr. (0.18%)

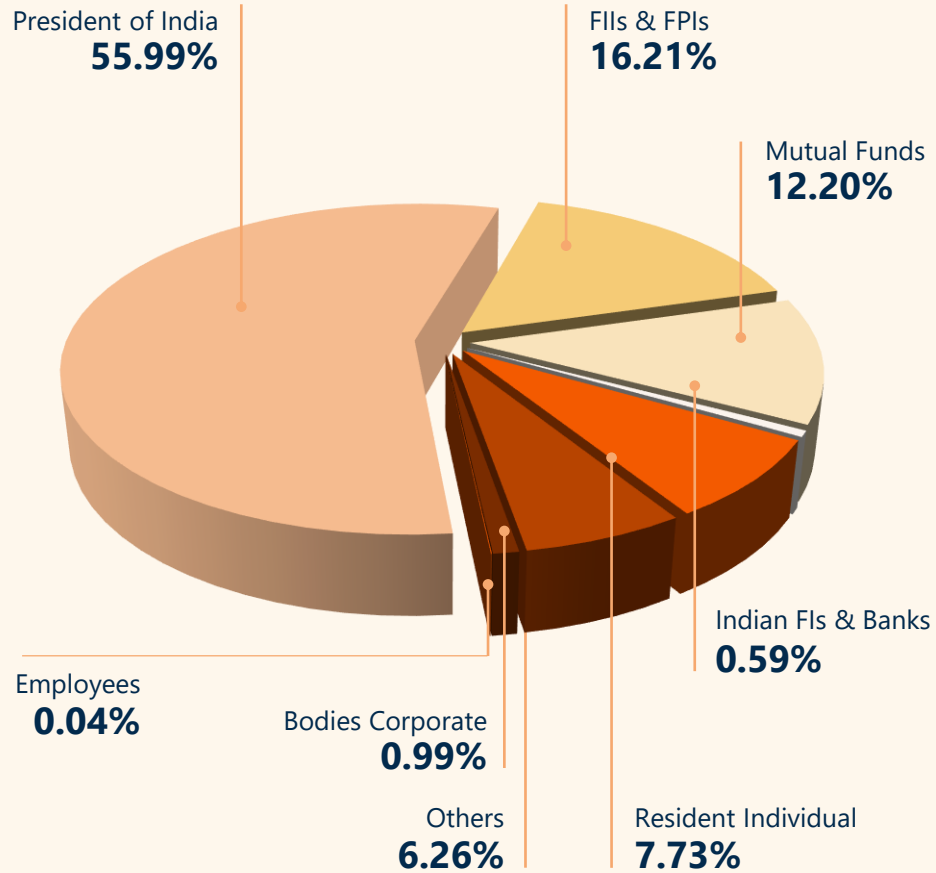


1. Like CC/OD/line of credit/LAFD.

5.

## Shareholder Outlook

# Shareholder Outlook as on 30.06.2022



## *PFC delivering Dividend Yield<sup>1</sup> more than Bank FD return*

EPS  
(Annualized)  
Rs.31.96

Book Value  
Per Share  
Rs.231

Price to  
Earning Ratio  
3.27

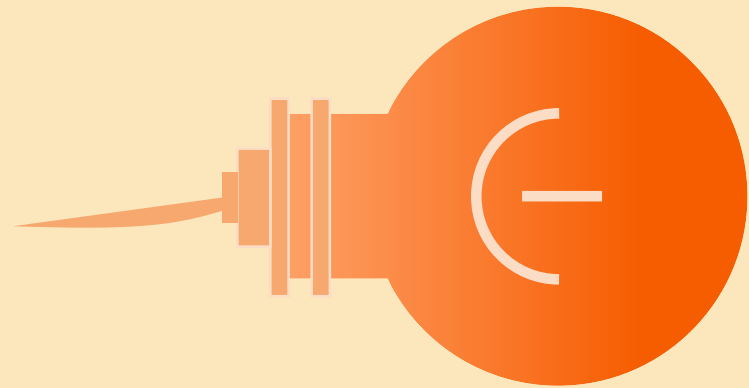
Price to Book Value  
Ratio  
0.45

<sup>1</sup> Dividend Yield as on 31.03.2022 is 10.67% based on the last available closing share price from BSE as on 31.03.2022 i.e. Rs.112.45

Above ratios are for Q1'23 & are based on the last available closing share price from BSE as on the end of reporting period i.e. Rs.104.60



# Consolidated Performance



# Q1'23 Synopsis



## Profit After Tax

Rs.4,580 cr. in Q1'23 vs.  
Rs.4,555 cr. In Q1'22



## Loan Assets

Rs.7,58,074 cr. in Q1' 23 vs.  
Rs.7,49,373 cr. In Q1' 22



## Net Interest Income

Rs.7,469 cr. in Q1'23 vs.  
Rs.7,377cr. In Q1'22



## Gross NPA

5.02% in Q1'23 vs. 5.25% In  
Q1'22



## Net NPA

1.57% in Q1'23 vs. 1.80% in  
Q1'22



# Key Consolidated Financials

**Largest Power Sector CPSE in India**



Loan Asset Book of more than Rs.7.5 lakh cr.



(Rs.'crore)

	Q1 FY 23	Q1 FY 22	FY 22
<b>INTEREST INCOME</b>	18,306	18,690	74,887
<b>INTEREST EXPENSE</b>	10,837	11,313	44,709
<b>NET INTEREST INCOME</b>	7,469	7,377	30,178
<b>PROFIT AFTER TAX</b>	4,580	4,555	18,768
<b>TOTAL COMPREHENSIVE INCOME</b>	3,692	4,731	18,890

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# Contact Information



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